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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

_____)	
IN RE:)	Chapter 11
)	
DELPHI CORPORATION, <u>et al.</u> ,)	Case No. 05-44481 (RDD)
)	
Debtors.)	(Jointly Administered)
_____)	

**OBJECTION TO CLAIMS ESTIMATION MOTION AND
SUBMISSION OF COUNTERPROPOSALS (CLAIM NOS. 2174, 2175 AND 6878)**

Universal Tool & Engineering Co., Inc. (“UTE”), by its undersigned counsel, states the following as its objection and submission of counterproposals to the Debtors’ Motion for Order Pursuant to 11 U.S.C. §§ 105(a) and 502(c) (A) Estimating and Setting Maximum Cap on Certain Contingent or Unliquidated Claims and (B) Approving Expedited Claims Estimation Procedures (“Claims Estimation Motion”) (Docket No. 9297) with respect to UTE’s Claim Nos. 2174, 2175 and 6878 (the “Claims”):

I. Background

1. On October 8 and 14, 2005 (the “Petition Date”), Delphi Corporation and certain of its U.S. subsidiaries and affiliates (collectively, the “Debtors”) filed Voluntary Petitions for relief under Chapter 11 of the United States Bankruptcy Code, 11 U.S.C. §101, et seq (as amended, the Bankruptcy Code), thereby commencing the above-captioned Chapter 11 cases.

The Debtors continue to operate their businesses and manage their assets as Debtors-in-Possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code. The Court entered orders directing the joint administration of the Debtors' chapter 11 cases.

2. On or about September 7, 2007, the Debtors filed the Claims Estimation Motion, seeking to, among other things, estimate and cap certain contingent or unliquidated claims, including the Claims. The Claims and the Debtors' proposal to estimate and cap the Claims can be summarized as follows:

- UTE's unsecured claim number 2174 ("Claim 2174") was filed on March 3, 2006 in the liquidated amount of \$234,500.00. The liquidated portion of Claim 2174 is for seven months of unpaid rent due under a lease of a certain premises located at 8700 North Hague Road, Indianapolis, Indiana 46256 by and between UTE and Delphi Automotive Systems, LLC (the "8700 Leased Premises"). In addition, Claim 2174 is partially unliquidated, as Claim 2174 generally alleges entitlement to amounts expended by UTE to, among other things, investigate and remediate environmental contamination at the 8700 Leased Premises and return the 8700 Leased Premises to a condition acceptable for leasing. In the Claims Estimation Motion, the Debtors have asked this Court to establish a Maximum Capped Amount (as that term is defined in the Claims Estimation Motion) of \$243,500 for Claim 2174.
- UTE's unsecured claim number 2175 ("Claim 2175") was filed on March 3, 2006 in the liquidated amount of \$1,525,236.87. The liquidated portion of Claim 2175 is for \$585,803.11 of unpaid rent due under a lease of a certain premises located at 8750 North Hague Road, Indianapolis, Indiana 46256 by and between UTE and Delphi Automotive Systems, LLC (the "8750 Leased Premises"). In addition, the liquidated portion of Claim 2175 includes \$939,433.76 for unpaid additional improvements to the 8750 Leased Premises. In addition, Claim 2175 is partially unliquidated, as Claim 2175 generally alleges entitlement to amounts expended by UTE to, among other things, investigate and remediate environmental contamination at the 8750 Leased Premises and return the 8750 Leased Premises to a condition acceptable for leasing. In the Claims Estimation Motion, the Debtors have asked this Court to establish a Maximum Capped Amount of \$1,016,065.83 for Claim 2175.
- UTE's unsecured claim number 6878 ("Claim 6878") was filed on May 25, 2006 in the liquidated amount of \$85,400. The liquidated portion of Claim 6878 is for four months of unpaid rent due under a lease of a certain premises located at 7601 East 88th Place, Indianapolis, Indiana 46256 by and between UTE and Delphi Automotive Systems, LLC (the "7601 Leased Premises"). In

addition, Claim 6878 is partially unliquidated, as Claim 6878 generally alleges entitlement to amounts expended by UTE to, among other things, investigate and remediate environmental contamination at the 7601 Leased Premises and return the 7601 Leased Premises to a condition acceptable for leasing. In the Claims Estimation Motion, the Debtors have asked this Court to establish a Maximum Capped Amount of \$85,400.00 for Claim 6878.

3. As will be shown, UTE has incurred costs and expenses, or has received estimates of costs and expenses to be incurred by UTE, to (i) investigate and remediate environmental contamination at the 7601 Leased Premises, and (ii) return the 8700 Leased Premises to a condition acceptable for leasing. Therefore, UTE objects to the Debtors' Maximum Capped Amounts for Claim 2174 and Claim 6878 and submits counterproposals to the Debtors' Maximum Capped Amounts, as set forth below. UTE does not object to the Debtors' Maximum Capped Amount for Claim 2175.

II. Response

Claim 2174

4. Debtors have proposed a Maximum Capped Amount of \$243,500.00 for Claim 2174, which is, essentially, the amount of the liquidated portion of Claim 2174. UTE objects to the Debtors' Maximum Capped Amount, as UTE has incurred expenses for returning the 8700 Leased Premises to an acceptable condition for leasing, following the vacation of the 8700 Leased Premises by Delphi Automotive Systems, LLC. UTE has incurred expenses for, among other things, labor and materials for recarpeting and repainting the 8700 Leased Premises. The total amount of expenses incurred by UTE to return the 8700 Leased Premises to an acceptable condition for leasing is \$168,840.00.

5. Therefore, UTE's counterproposal with respect to Claim 2174 is that the Maximum Capped Amount of Claim 2174 be established in the amount of \$403,340.00, which

constitutes \$234,500.00 for unpaid rent, plus \$168,840.00 for expenses incurred by UTE to return the 8700 Leased Premises to an acceptable condition for leasing.

Claim 2175

6. Debtors have proposed a Maximum Capped Amount of \$1,016,065.83 for Claim 2175, which is, essentially, the amount of the liquidated portion of Claim 2175, less certain payments received or to be received by UTE from a third party for amounts sought by UTE in Claim 2175.

7. UTE does not object to the Debtors' Maximum Capped Amount for Claim 2175, as UTE believes that the Maximum Capped Amount is sufficient to cover any expenses incurred by UTE to, among other things, investigate and remediate environmental contamination at the 8750 Leased Premises and return the 8750 Leased Premises to a condition acceptable for leasing, as defined in the unliquidated portion of Claim 2175.

Claim 6878

8. Debtors have proposed a Maximum Capped Amount of \$85,400.00 for Claim 6878, which is the amount of the liquidated portion of Claim 6878. UTE objects to the Debtors' Maximum Capped Amount, as UTE has incurred expenses for investigating and remediating environmental contamination at the 7601 Leased Premises caused by the activities of Delphi Automotive Systems, LLC at the 7601 Leased Premises. UTE has incurred expenses for, among other things, the removal of lead and sulfuric acid from the main plant located at the 7601 Leased Premises. The total of the expenses incurred to date by UTE to remediate the 7601 Leased Premises is \$104,287.97. UTE has also received estimates for additional work necessary to conclude the remediation of the main plant located at the 7601 Leased Premises, as well as remediate the remaining buildings which comprise the 7601 Leased Premises as a result of the

activities of Delphi Automotive Systems, LLC. The estimated cost of this additional work to remediate the 7601 Leased Premises is \$158,794.00.

9. Therefore, UTE's counterproposal with respect to Claim 6878 is that the Maximum Capped Amount of Claim 6878 be established in the amount of \$348,481.97, which constitutes \$85,400.00 for unpaid rent, plus \$104,287.97 for expenses incurred by UTE to investigate and remediate environmental contamination at the 7601 Leased Premises caused by the activities of Delphi Automotive Systems, LLC at the 7601 Leased Premises, plus \$158,794.00 for the additional work necessary to remediate the environmental contamination at the 7601 Leased Premises.

WHEREFORE, Universal Tool & Engineering Co., Inc. respectfully requests that this Court (i) enter an order denying the Debtors' Claims Estimation Motion as to Claim 2174 and Claim 6878, (ii) establish a Maximum Capped Amount for Claim 2174 of \$403,340.00 and a Maximum Capped Amount for Claim 6878 of \$348,481.97, and (iii) grant to Universal Tool & Engineering Co., Inc. such other relief as is just and proper.

Respectfully submitted,

/s/William M. Braman

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CERTIFICATE OF SERVICE

I certify that on September 20, 2007, a copy of the foregoing was filed via electronic filing. I further certify that on September 19, 2007 a copy of the foregoing was served via overnight mail on the following:

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United States Bankruptcy Judge
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